

# FISCAL NOTE

**Bill #:** HB0491

**Title:** Make natural resource information projects eligible for TSEP funding

**Primary Sponsor:** Hedges, D

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b>FY 2004 Difference</b>	<b>FY 2005 Difference</b>
<b>Expenditures:</b>	\$0	\$0
<b>Revenue:</b>	\$0	\$0
<b>Net Impact on General Fund Balance:</b>	\$0	\$0

- |   |  |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact    | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached  | <input type="checkbox"/> Needs to be included in HB 2  |

## Fiscal Analysis

### ASSUMPTIONS:

#### **Department of Commerce**

1. HB 491 makes the Montana State Library Natural Resource Information System (NRIS) projects eligible for funding under the Treasure State Endowment Program (TSEP).
2. Local infrastructure projects awarded funding from the TSEP program are reviewed, ranked and approved by the Governor and then by the Legislature in HB 11 each session. Since HB 11 already has been introduced and approved by the Joint Appropriations Subcommittee on Long-Range Planning, it is assumed there would be no fiscal impact in the 2005 biennium because all available funds have already been designated to local infrastructure projects.

#### **State Library**

3. This legislation will allow the Natural Resource Information System (NRIS) to be eligible for funding via grants under the Treasure State Endowment Program. There will be no grants in HB 11 for NRIS for the 2005 biennium.

### EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

#### **State Library**

If NRIS were to receive any funding from this legislation, it would take away funds going out to local government infrastructure projects during the 2007 biennium.

**Fiscal Note Request HB0491, As Introduced**  
(continued)

TECHNICAL NOTES:

**Department of Commerce**

1. Projects seeking funding through the TSEP program are evaluated and ranked using the seven statutory priorities listed in 90-6-710(3), MCA, as follows:
  - a) Projects that solve urgent and serious public health or safety problems or that enable local governments to meet state or federal health or safety standards;
  - b) Projects that reflect greater need for financial assistance than other projects;
  - c) Projects that incorporate appropriate, cost-effective technical design and that provide thorough, long-term solutions to community public facility needs;
  - d) Projects that reflect substantial past efforts to ensure sound, effective, long-term planning and management of public facilities and that attempt to resolve the infrastructure problem with local resources;
  - e) Projects that enable local governments to obtain funds from sources other than the funds provided under this part;
  - f) Projects that provide long-term, full-time job opportunities for Montanans, that provide public facilities necessary for the expansion of a business that has a high potential for financial success, or that maintain the tax base or that encourage expansion of the tax base; and
  - g) Projects that are high local priorities and have strong community support.

HB 491 makes NRIS projects eligible for TSEP funding. Since NRIS applications for project funding through TSEP would be evaluated and ranked according to the statutory criteria, just like any other applicant, it is doubtful any NRIS project would score high enough to be funded because the ranking criteria are designed to address construction-related projects that solve public health and safety problems. The statutory criteria simply do not relate to evaluating NRIS projects.

NRIS projects would be eligible for TSEP funding, because the amended statute would make them eligible; they just wouldn't be competitive.